
State: District of Columbia **Filing Company:** Globe Life And Accident Insurance Company
TOI/Sub-TOI: MS08I Individual Medicare Supplement - Standard Plans 2010/MS08I.013 Plan G (High) 2020
Product Name: Actuarial Memorandum & Rates
Project Name/Number: Actuarial Memorandum & Rates/GMSHDG

Filing at a Glance

Company: Globe Life And Accident Insurance Company
Product Name: Actuarial Memorandum & Rates
State: District of Columbia
TOI: MS08I Individual Medicare Supplement - Standard Plans 2010
Sub-TOI: MS08I.013 Plan G (High) 2020
Filing Type: Rate
Date Submitted: 11/13/2019
SERFF Tr Num: AMLC-132152907
SERFF Status: Submitted to State
State Tr Num:
State Status:
Co Tr Num: GMSHDG

Implementation: 01/01/2020
Date Requested:
Author(s): Louise Sanders, Tiffany Baysinger
Reviewer(s):
Disposition Date:
Disposition Status:
Implementation Date:

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General Information

Project Name: Actuarial Memorandum & Rates

Project Number: GMSHDG

Requested Filing Mode: Review & Approval

Explanation for Combination/Other:

Submission Type: New Submission

Overall Rate Impact:

Deemer Date:

Submitted By: Tiffany Baysinger

Filing Description:

RE: Actuarial Memorandum and Rates

Status of Filing in Domicile: Authorized

Date Approved in Domicile: 07/02/2019

Domicile Status Comments:

Market Type: Individual

Individual Market Type:

Filing Status Changed: 11/13/2019

State Status Changed:

Created By: Tiffany Baysinger

Corresponding Filing Tracking Number: AMLC-132152908

We are submitting for your review and approval the subject Actuarial Memorandum and Rates. They are being filed for use with Medicare Supplement Policy Form GMSHDG which is being submitted under separate cover. Please reference SERFF Tracking Number AMLC-132152908.

Your early review and approval of this filing would be greatly appreciated. If you have any questions, please feel free to contact me collect at (972) 569-4092, or by e-mail at tkbaysinger@globe.life.

Company and Contact

Filing Contact Information

Tiffany Baysinger, Compliance Analyst
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McKinney, TX 75070

tkbaysinger@Globe.Life
972-569-4092 [Phone]

Filing Company Information

Globe Life And Accident Insurance
Company
P.O. Box 8080
McKinney, TX 75070
(800) 801-6831 ext. [Phone]

CoCode: 91472
Group Code: 290
Group Name: Liberty National
FEIN Number: 63-0782739

State of Domicile: Nebraska
Company Type: Life and
Health
State ID Number:

Filing Fees

Fee Required? No

Retaliatory? No

Fee Explanation:

State:	District of Columbia	Filing Company:	Globe Life And Accident Insurance Company
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Rate Information

Rate data applies to filing.

Filing Method:	SERFF
Rate Change Type:	Neutral
Overall Percentage of Last Rate Revision:	%
Effective Date of Last Rate Revision:	
Filing Method of Last Filing:	
SERFF Tracking Number of Last Filing:	

Company Rate Information

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	Number of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where req'd):	Minimum % Change (where req'd):
Globe Life And Accident Insurance Company	%	%				%	%

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Rate/Rule Schedule

Item No.	Schedule Item Status	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments
1		Medicare Supplement Rates	GMSHDG	New		2020 DC GMSHDG Rate Page.pdf,

GLOBE LIFE AND ACCIDENT INSURANCE COMPANY

Oklahoma City, Oklahoma

Policy Form GMSHDG

2020 New Form Filing

DISTRICT OF COLUMBIA

Proposed Annual Premium Rates
For Policies Issued with Attained Age Rates

Attained Age (Male or Female)	Proposed Annual Premium
65	\$406
66	\$437
67	\$468
68	\$487
69	\$508
70	\$529
71	\$547
72	\$575
73	\$604
74	\$631
75	\$659
76	\$668
77	\$680
78	\$695
79	\$706
80 & Over	\$728

Modal Premium Factors:

Semi-Annual	=	Annual	*	.510	(rounded to near dollar)
Quarterly	=	Annual	*	.260	(rounded to near dollar)
Monthly	=	Annual	*	.088	(rounded to near \$0.50)
Bank Draft	=	(Modal Premium)	-	\$ 2.00	
Early Enrollment Discount	=	Pay \$1 for the first monthly premium for age 65 enrollments			

For Company Use: Plan Code XXX

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Supporting Document Schedules

Bypassed - Item:	Cover Letter
Bypass Reason:	Please refer to the General Information tab of this filing and that of SERFF filing AMLC-132152908.
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	Certificate of Authority to File
Bypass Reason:	N/A
Attachment(s):	
Item Status:	
Status Date:	

Satisfied - Item:	Actuarial Memorandum
Comments:	
Attachment(s):	2020 GMSHDG Actuarial Memorandum 1.pdf
Item Status:	
Status Date:	

Satisfied - Item:	Actuarial Justification
Comments:	AM is attached above
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	District of Columbia and Countrywide Loss Ratio Analysis (P&C)
Bypass Reason:	N/A
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	District of Columbia and Countrywide Experience for the Last 5 Years (P&C)
Bypass Reason:	N/A
Attachment(s):	
Item Status:	
Status Date:	

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Bypassed - Item:	Actuarial Memorandum and Certifications
Bypass Reason:	N/A
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	Unified Rate Review Template
Bypass Reason:	N/A
Attachment(s):	
Item Status:	
Status Date:	

Satisfied - Item:	Projection and Parameters
Comments:	
Attachment(s):	2020 GMSHDG Projection and Parameters.pdf
Item Status:	
Status Date:	

GLOBE LIFE AND ACCIDENT INSURANCE COMPANY
Oklahoma City, Oklahoma

POLICY FORM GMSHDG
INDIVIDUAL STANDARDIZED MEDICARE SUPPLEMENT HIGH DEDUCTIBLE PLAN G

2020 NEW PRODUCT FILING

ACTUARIAL MEMORANDUM

This actuarial memorandum along with its attachments, a projection and parameters, is an actuarial report. This actuarial memorandum contains a general description of some policy provisions; it does not change the policy. Benefits are paid as specified in the complete policy.

SCOPE AND REASON

This is a new product filing. The purpose of this rate filing is to demonstrate to state officials that the anticipated loss ratio of this product meets the minimum requirements of your state. This rate filing is not intended to be used for any other purpose or by any other parties. Data used in the preparation of this filing is from company records and was used without audit. It was reviewed for reasonableness.

BENEFITS

This policy supplements Medicare and, after a calendar year deductible, provides benefits for:

- 1) Part A Coinsurance beginning with the 61st day
- 2) 100% of hospital expenses, for 365 days lifetime, following exhaustion of Medicare benefits
- 3) Part A Hospice cost sharing
- 4) Part A Inpatient Hospital Deductible
- 5) Skilled Nursing Facility Coinsurance
- 6) Blood Deductible (Parts A and B)
- 7) Part B Coinsurance
- 8) 100% Part B Excess Expense
- 9) Foreign Travel Emergency

RENEWABILITY

This policy is guaranteed renewable for life, subject to the company's right to change premiums by class.

MARKETING METHOD AND ELIGIBILITY

This is an individual standardized Medicare supplement policy form that will be marketed by direct response solicitation to persons eligible for Medicare.

APPLICATION OF RATES

The schedule of proposed premium rates will apply to all policies issued in your state and is intended to be effective beginning in calendar year 2020 and continuing until revised rates are approved and implemented.

GLOBE LIFE AND ACCIDENT POLICY FORM GMSHDG
2020 NEW PRODUCT FILING
ACTUARIAL MEMORANDUM
Page 2

DETERMINATION OF RATES

Premium rates for this product were determined based on historical experience of the Company's other Standardized Medicare Supplement Plans. These premium rates were set to achieve at least the minimum loss ratio.

LOSS RATIO

The minimum loss ratio is 65%.

CERTIFICATION

I, Tony Huang, am Actuary for Globe Life And Accident Insurance Company. I am a member of the American Academy of Actuaries and meet its Qualification Standards to render this opinion. I am available to assist with questions regarding this filing.

I hereby certify, to the best of my knowledge and judgment, that this rate filing is in compliance with the applicable laws and regulations of this state and that the benefits of the policies are reasonable in relation to the premiums charged because they are expected to meet or exceed loss ratio requirements.

April 2, 2019

Date



Tony Huang, ASA, MAAA
Actuary

GLOBE LIFE AND ACCIDENT INSURANCE COMPANY
Oklahoma City, Oklahoma

POLICY FORM GMSHDG
INDIVIDUAL STANDARDIZED MEDICARE SUPPLEMENT HIGH DEDUCTIBLE PLAN G

2020 NEW PRODUCT FILING

PROJECTION OF ONE YEAR OF ISSUE BASED ON NATIONWIDE DATA

<u>Policy Year</u>	<u>Earned Premium</u>	<u>Incurred Claims</u>	<u>Loss Ratio</u>
1	1,000,000	403,300	0.403
2	925,922	507,915	0.549
3	876,780	611,777	0.698
4	839,490	596,150	0.710
5	803,853	581,451	0.723
6	769,795	565,598	0.735
7	737,242	550,016	0.746
8	706,127	534,480	0.757
9	680,080	520,720	0.766
10	654,237	507,034	0.775
11	629,376	493,213	0.784
12	608,733	481,494	0.791
13	588,766	469,815	0.798
14	569,455	458,764	0.806
15	547,815	446,988	0.816
16	524,150	431,691	0.824
17	496,055	413,510	0.834
18	464,308	390,604	0.841
19	429,763	366,124	0.852
20	393,319	337,960	0.859
21	355,875	307,565	0.864
22	318,295	276,146	0.868
23	281,373	244,957	0.871
24	245,807	215,222	0.876
25	212,181	186,486	0.879
26	180,948	158,674	0.877
27	150,549	131,515	0.874
28	123,691	107,310	0.868
29	99,052	85,801	0.866
30	77,260	66,333	0.859
31	58,656	50,418	0.860
32	42,702	36,776	0.861
33	29,754	25,705	0.864
34	20,114	17,457	0.868
35	11,087	9,622	0.868
Total	15,452,612	11,588,592	0.750

The projection is based on \$1,000,000 of annual premium issued at the beginning of the year.

This projection is not a guarantee of future experience. Experience is subject to significant fluctuations on small blocks of business.

GLOBE LIFE AND ACCIDENT INSURANCE COMPANY
Oklahoma City, Oklahoma

POLICY FORM GMSHDG
INDIVIDUAL STANDARDIZED MEDICARE SUPPLEMENT HIGH DEDUCTIBLE PLAN G

2020 NEW PRODUCT FILING

ACTUARIAL PARAMETERS FOR
PROJECTION OF ONE YEAR OF ISSUE BASED ON NATIONWIDE DATA

LAPSE RATES:

<u>Duration</u>	<u>Lapse Rate</u>	<u>Duration</u>	<u>Lapse Rate</u>	<u>Duration</u>	<u>Lapse Rate</u>
1	0.115	13	0.070	25	0.180
2	0.095	14	0.075	26	0.200
3	0.085	15	0.080	27	0.210
4	0.085	16	0.090	28	0.230
5	0.085	17	0.100	29	0.250
6	0.085	18	0.110	30	0.270
7	0.085	19	0.120	31	0.300
8	0.080	20	0.130	32	0.330
9	0.075	21	0.140	33	0.350
10	0.075	22	0.150	34	0.470
11	0.070	23	0.160	35	1.000
12	0.070	24	0.170		

PREMIUM TREND:⁽¹⁾

<u>Plan</u>	<u>Years 2019+ Premium Trend</u>
HDG	4.0%

⁽¹⁾ Rate increases are projected to be effective January 1 of each year.

For attained age rates, the increase in premiums as attained age increases is also recognized.

CLAIMS TREND:⁽²⁾

Price and Utilization Changes: 4.0%

Selection by Duration

<u>Duration</u>	<u>Selection</u>
1	0.600
2	0.800
3+	1.000

⁽²⁾ In addition to price and utilization changes and selection by duration, the increase in claims as attained age increases is recognized.